GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2842
ANSWERED ON:17.12.2008
SUBSIDY ON FISHING BOATS
Bellarmin Shri A.V.

Will the Minister of FINANCE be pleased to state:

(a)whether fishing boats with engines of 8HP and above running on kerosene and diesel are given subsidy;

(b)if so, the details thereof;

(c)whether boat engines of 2 HP to 7HP being run on kerosene and diesel are not given subsidy;

(d)if so, the reasons therefor; and

(e)steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI PAWAN KUMAR BANSAL)

(a)&(b)The Ministry of Agriculture, Department of Animal Husbandry Dairying and Fisheries has been implementing a Centrally Sponsored Scheme (CSS) on Development of Marine Fisheries, Infrastructure and Post Harvest Operations. Under the component on Motorisation of Traditional Craft of the CSS, subsidy to the tune of Rs. 20,000 per traditional boat for conversion into motorised boat has been provided. This subsidy is shared equally by Government of India and the respective State Governments. In case of Union Territories(UTs), the entire cost of subsidy is borne by Government of India. The subsidy is extended to the Out Board engines from 8HP to 10HP.

(c),(d)&(e)Engines ranging below 8HP have not been covered for subsidy under this scheme , as such low capacity engines may not be efficient to go for fishing in deeper waters. Under the component on Fishermen Development Rebate on High Speed Diesel (HSD) oil, a rebate/subsidy of Rs. 1.50 per litre on HSD consumed by the mechanised fishing vessels below 20 meter Over All Length (OAL) is provided. Rebate is shared on 80:20 basis between Centre and State Governments. In case of the States where Sales Tax is exempted by them and in UTs, the entire subsidy amount is borne by the Government of India.